AMENDED IN SENATE APRIL 25, 2005 AMENDED IN SENATE MARCH 31, 2005

SENATE BILL

No. 314

Introduced by Senator Romero

February 16, 2005

An act to amend Sections 10200, 10201, 10205, and 10209 Section 10214.5 of the Unemployment Insurance Code, relating to employment training.

LEGISLATIVE COUNSEL'S DIGEST

SB 314, as amended, Romero. Job training.

Under existing law, the Employment Training Panel has specified duties, including the duty to make contracts for training in job-related vocational skills, as specified. Existing law permits the panel, subject to certain requirements, to allocate a specified percentage of annual training funds for the purpose of funding special employment training projects to improve the skills of frontline workers, as defined.

This bill would authorize the panel to make contracts allocate funds for training in job-related vocational skills to increase the productivity and extended retention of workers in the state's major seasonal industries and would establish a payment schedule for those contracts. The bill would also make technical, nonsubstantive changes to existing law, as defined, and would authorize the panel to waive certain requirements contained in existing law under specified conditions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 10214.5 of the Unemployment Insurance Code is amended to read:

- 10214.5. (a) The panel may allocate up to 10 percent of the annually available training funds for the purpose of funding special employment training projects that improve the skills and employment security of frontline workers, as defined in subdivision (a) of Section 10200. Notwithstanding any other provision of this chapter, participants in these projects are not required to meet the eligibility criteria set forth in paragraph (1) of subdivision (a) of Section 10200 or subdivision (c) of Section 10201.
- (b) The panel shall, on an annual basis, identify industries and occupations that shall be priorities for funding under this section. Training shall be targeted to frontline workers who earn at least the state average weekly wage.
- (c) The panel may waive the minimum wage provisions pursuant to subdivision (f) of Section 10201 for projects in regions of the state where the unemployment rate is significantly higher than the state average, and may waive the employment retentions provisions specified in subdivision (f) of Section 10209 and instead require that the trainee has been retained in employment for a minimum of 90 days out of 120 consecutive days after the end of training with no more than three employers.
- (d) (1) The panel may allocate funds pursuant to subdivision (a) to increase the productivity and extended employment retention of workers in the state's major seasonal industries.
- (2) In funding special employment training projects for this purpose, the panel may do all of the following:
- (A) When the amount of the postretention wages of each trainee who has completed training exceeds the amount of wages that the trainee earned before and during training, waive the minimum wage requirements set forth in subdivision (f) of Section 10201.
- (B) Waive the employment retention requirements set forth in subdivision (f) of Section 10209 and instead require that the trainee be retained in employment for not less than 500 hours within the 12-month period following the completion of the training.

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(C) When the panel finds that the training is necessary to achieve the objectives of vocational training, waive the limitation on job-related basic and literacy skills training set forth in subdivision (a) of Section 10209.

- (3) For purposes of this section, "major seasonal industries" means employers who satisfy all of the following requirements:
- (A) Have a workforce comprised of at least 50 percent of workers whose employment period is necessarily cyclical and is directly involved in the harvesting, packing, or processing of goods or products.
- (B) Have retained at least 50 percent of the same seasonal employees for at least one season of not less than 500 hours for the preceding 12-month period.
- (C) Pay wages and provide benefits that exceed industry averages.

(d)

(e) The panel shall adopt minimum standards for consideration of proposals to be funded pursuant to this section.

(e)

(f) The panel may select contracts funded under this section based on competitive bidding.

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(g) It is the intent of the Legislature in providing the authority for these projects that the panel allocate these funds in a manner consistent with the objectives of this chapter as provided in Section 10200.

SECTION 1. Section 10200 of the Unemployment Insurance Code is amended to read:

All matter omitted in this version of the bill appears in the bill as amended in the Senate, March 31, 2005 (JR11)